

HISTORIC PRESERVATION TAX CREDIT TRANSITION

Prior Law_____

The Department of Cultural Affairs was responsible for overseeing the Historic Preservation and Cultural Entertainment District Tax Credit Program.

Historic Preservation and Cultural Entertainment District credits are refundable or transferable. Transferees must use the tax credit against tax liability; they may not receive a refund of the tax credit. Refundable credits may be carried forward as an overpayment.

New Provisions_____

Effective August 15, 2016, administrative oversight of the program is transferred from the Department of Cultural Affairs to the Economic Development Authority. The change does not affect the Department of Revenue's role in the program. The Economic Development Authority will consult with the Department of Cultural Affairs during the application process.

For eligible taxpayers that enter into agreements with the Department of Cultural Affairs or with the Economic Development Authority on or after July 1, 2014, the credit is refundable to the applicant or to a transferee. At the election of the taxpayer, the credit may be claimed as a nonrefundable tax credit and carried forward up to 5 years, or until depleted or, in the case of a refundable credit, carried forward as an overpayment. The credit may not be carried back to a prior year.

Section Amended_____

2016 Iowa Acts House File 2443 amends multiple sections of 2016 Iowa Code chapter 404A.

Effective Date_____

August 15, 2016

The provision of the Act allowing the credit to be carried forward five years instead of only one applies retroactively to agreements entered into by an eligible taxpayer on or after July 1, 2014.